

Grant Management Specialist Alert #2003-004

Subject: No-Cost Extensions

From: Emmanuel (Mike) E. Atsalinos, Grants Officer and Chief,
Grants Operations Branch/Grants Management Division

Date: February 10, 2003

Effective March 31, 2003, GMD will no longer process requests for no-cost extensions dated after the Grant or Cooperative Agreement has expired. Line offices are expected to contact their Grantees and Recipients to alert them of this requirement. Requests for no-cost extensions are to be submitted no later than 30 days prior to the expiration of the award. Those extensions invoked under expanded authorities must be requested no later than 10 days prior to the expiration of the award.

GMD has encountered numerous requests for extensions, in some cases more than 9 months, after the award has expired. This is a bad practice to sanction. Legally, once an award has expired, the Recipient/Grantee is under no obligation to perform and the Government is under no obligation to pay for services. GMD will no longer place the Government at risk for this type of request.

The Grants Officer shall require a proper justification in order to deviate from this policy. This includes requests that are within 30 days of expiration or 10 days for expanded authorities. GMD still maintains that the no-cost actions should be processed within 30 days of receipt.

All new awards and modifications to all Grants and Cooperative Agreements shall have the following special award condition inserted:

"No-Cost Extensions

If the Recipient believes it is necessary to obtain a no-cost extension, it shall be requested to the Federal Program Officer who will submit the request to GMD no later than 30 days prior to the expiration of the award. Recipients covered under "expanded authorities" may authorize a no-cost extension when notifying GMD at least 10 days prior to expiration."

If there are any questions on this GMS alert, please contact Mike Atsalinos at 301/713-0926 x112 or by email at mike.atsalinos@noaa.gov.